



SOCIAL SECURITY ADMINISTRATION

[Docket No. SSA 2023-0003]

Notice of Fee Increase for Our Electronic Consent Based Social Security Number Verification Service

AGENCY: Social Security Administration.

ACTION: Notice of fee increase.

SUMMARY: The Social Security Administration (SSA) is announcing a change in the subscription tier structure and associated fees for the electronic Consent Based Social Security Number (SSN) Verification (eCBSV) service. In accordance with statutory requirements, a permitted entity (PE) is required to provide payment to reimburse SSA for the development and support of the eCBSV system.

DATES: *Applicability date for fee increase:* The revised subscription tier structure and associated fees will go into effect for subscription payments made on or after [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Christopher David, Office of Data Exchange, Policy Publications, and International Negotiations, Social Security Administration, 6401 Security Boulevard, Baltimore, Maryland 21235-6401, (866) 395-8801, email eCBSV@ssa.gov.

For information on eligibility or filing for benefits, call SSA's national toll-free number, 1-800-772-1213 or TTY 1-800-325-0778, or visit SSA's internet site, Social Security Online, at <https://www.socialsecurity.gov>.

SUPPLEMENTARY INFORMATION: Section 215 of the Economic Growth, Regulatory Relief, and Consumer Protection Act¹ (the Banking Bill) directs SSA to

¹ Pub. L. 115-174, codified at 42 U.S.C. 405b.

modify or develop a database for accepting and comparing fraud protection data² provided electronically by a PE.³ In response to this statutory directive, SSA created eCBSV, a fee-based SSN verification service. eCBSV allows PEs to submit, based on the number holder's consent,⁴ the SSN, name, and date of birth of the number holder in connection with a credit transaction or a circumstance described in section 604 of the Fair Credit Reporting Act to SSA for verification via an application programming interface. Each PE must submit a certification statement⁵ that the PE is in compliance with the Banking Bill as part of their application to SSA.

SSA revised the subscription tier structure and associated fees for eCBSV in 2022 but program participation remains markedly lower than estimated by the financial industry. Limited program participation has led us to re-evaluate the fees we charge our customers.

Fees

The public cost burden is dependent upon the number of PEs using the service and the annual transaction volume. We based the revised tier fee schedule below on 20

² The Banking Bill defines "Fraud Protection Data" to mean a combination of an individual's name (including the first name and any family forename or surname), SSN, and date of birth (including month, day, and year). Pub. L. 115-174, title II, 215(b)(3), codified at 42 U.S.C. 405b(b)(3).

³ The Banking Bill defines a "permitted entity" to mean a financial institution or service provider, subsidiary, affiliate, agent, subcontractor, or assignee of a financial institution. Pub. L. 115-174, title II, 215(b)(4), codified at 42 U.S.C. 405b(b)(4). They must possess an Employer Identification Number and a Dun and Bradstreet number.

⁴ Under the eCBSV User Agreement, valid Written Consent must meet the requirements of applicable Federal law, SSA's regulations, and section IV of the eCBSV User Agreement. Valid Written consent must include a wet or electronic signature. Section IV A.1. eCBSV User Agreement. Electronic signatures must meet the definition in section 106 of the Electronic Signatures in Global and National Commerce Act (15 U.S.C. 7006). 42 U.S.C. 405b(f)(2); section IV. E. eCBSV User Agreement. The written consent must clearly specify to whom the information may be disclosed, the information you want us to disclose (e.g., SSN verification) and, where applicable, during which timeframe the information may be disclosed (e.g., whenever the subject individual is receiving specific services). 20 CFR 401.100.

⁵ The permitted entity must certify that (1) the entity is a permitted entity; (2) the entity is in compliance with section 215; (3) the entity is, and will remain, in compliance with its privacy and data security requirements in title V of 15 U.S.C. 6801, *et seq.*, with respect to the information the entity receives from the Commissioner of Social Security pursuant to this section; and (4) the entity will retain sufficient records to demonstrate its compliance with its certification and section 215 for a period of not less than 2 years. 42 U.S.C. 405b(e)(1)-(3).

participating PEs in fiscal year (FY) 2023 submitting an anticipated volume of 65 million transactions.⁶ The total cost for developing and operating the service is \$53 million through FY 2022. Of this amount, \$38 million remains unrecovered/unreimbursed. The new subscription tier structure and associated fees are intended to recover these costs over a three-year period, assuming projected enrollments and transaction volumes meet these projections.

eCBSV Tier Fee Schedule

Tier	Annual Volume Threshold	Annual Fee
1	Up to 10,000 (1-10,000)	\$7,000
2	Up to 200,000 (10,001-200,000)	\$130,000
3	Up to 1 million (200,001-1 million)	\$630,000
4	Up to 2.5 million (1,000,001-2.5 million)	\$1,500,000
5	Up to 5 million (2,500,001-5 million)	\$3,000,000
6	Up to 10 million (5,000,001-10 million)	\$4,500,000
7	Up to 15 million (10,000,001-15 million)	\$5,000,000
8	Up to 20 million (15,000,001-20 million)	\$6,250,000
9	Up to 25 million (20,000,001-25 million)	\$7,250,000
10	Up to 75 million (25,000,001-75 million)	\$8,250,000

Each enrolled PE will be required to remit the above tier-based subscription fee for the 365-day agreement period starting on or after [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].⁷ Fees are calculated based on forecasted systems and operational expenses, agency oversight, overhead, and Certified Public Accountant audit contract costs.

Section 215(h)(1)(B) of the Banking Bill requires that the Commissioner shall “periodically adjust” the price paid by users to ensure that amounts collected are sufficient to fully offset the costs of administering the eCBSV system. On at least an

⁶ At the time we completed our evaluation in November 2022, we projected 20 participating PEs for FY 2023, and the new tiers were based on these projected 20 PEs. As more PEs join, we will capture them in our future evaluations, and adjust the tiers at that time, if necessary.

⁷ As of April 25, 2022, SSA no longer charged a separate administrative fee in addition to the tier-based subscription fee.

annual basis, SSA will monitor costs incurred to provide eCBSV services and will revise the tier fee schedule accordingly. We will notify PEs of the tier fee schedule in effect at the renewal of eCBSV user agreements, when a PE begins a new 365-day agreement period, and via notice in the *Federal Register*. PE renewals will be governed by the tier in effect at the time of renewal.

Michelle King,
Deputy Commissioner,
Office of Budget, Finance, and Management,
Social Security Administration.

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